

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

TRI-COUNTY ELECTRIC,
COOPERATIVE, INC.

Complainant,

v.

ILLINOIS POWER COMPANY, d/b/a
AMEREN IP,

Respondent.

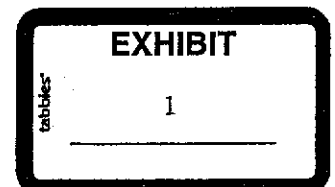
DOCKET NO: 05-0767

ILLINOIS
COMMERCE COMMISSION
2008 JUN 23 P 2:30
CHIEF CLERK'S OFFICE

AFFIDAVIT OF MIKE W. TATLOCK

I, *Mike W. Tatlock*, Affiant, first being duly sworn, hereby state as follows:

1. I am of lawful age, firm mind, and otherwise of full legal capacity, and if sworn as a witness could competently testify to the following matters.
2. I received my bachelor of science in electrical engineering from Rose-Hulman Institute of Technology in 1985. I obtained my Professional Engineer license from the State of Illinois in 2000, and obtained my C.P.Q. (Certified Power Quality) certification in 2000.
3. I have been employed as an engineer with Illinois Power Company, d/b/a AmerenIP (hereinafter "AmerenIP"), for 23 years. During that time my responsibilities with AmerenIP have included overseeing the work of field engineering representatives who work with customers on a daily basis. I review the work of field engineers and provide technical support when needed. In addition, I ensure adherence to internal/external design specifications and compliance with national electric safety code in our designs. I also provide technical support to the operations department on electrical and gas system issues. I



insure that AmerenIP's activities are in compliance with applicable tariffs. I also oversee issues related to the expansion of AmerenIP's distribution system for new and existing customers. A true and accurate copy of my current CV is attached hereto as Exhibit A.

4. I have worked in the Mt. Vernon, Illinois and Centralia, Illinois service territory for the last 13 years. The Texas Substation located at Salem Township, 2N - Range 1E, Section 32, NW ¼, is located in the territory I supervise. I have reviewed historical documents kept and maintained in the ordinary course of business by AmerenIP regarding the Texas Substation both before and as a result of the above-captioned case. See Exhibit B. I have also traveled to and inspected the Texas Substation on several occasions throughout my time with AmerenIP as well as in late 2006 along with the parties involved in this case.

5. AmerenIP constructed the Texas Substation in 1952 and provided electrical service to Texaco Inc. pursuant to a contract dated April 6, 1955. See generally, Ex. B. Ameren connected the Texas Substation to its distribution system by means of a 69kV transmission line known as #6641, which was placed in service on October 30, 1952 and line #6640, which was placed in service on October 1, 1956. See Ex. D.

6. Texaco and AmerenIP entered into another Electric Service Contract dated January 12, 1965 to provide Texaco a capacity of 9370 kilowatts of three phase electric energy at 69,000 volts for the operation of the electrical equipment in Texaco's oil field. See AmerenIP added a transformer in May 1965. See Ex. C.

7. The 1965 Electrical Service Contract defined the "point of delivery" at which AmerenIP supplied and Texaco accepted electric energy as the following:

where Utility's 69,000 volt lines connect to a substation located in the southeast quarter of the northwest quarter of Section 32, Township 2 North, Range 1 East, Marion County Illinois. Utility agrees to provide, own, and maintain said substation on a rental basis ... the point of delivery shall be the

connection of the Customer's facilities to the 12,470 volt bus of said substation.

See Ex. C.

8. The applicable tariff in 1965 for Texaco's receipt of electric energy provided that as a condition of service AmerenIP would "provide and maintain one point of delivery and metering equipment" for its customers. See Ex. C. The 1959 tariff defines point of delivery "as the point at which Utility's lines first connect with lines or facilities owned by customer." See Ex. G.

9. AmerenIP and Texaco renewed the Electrical Service Contract on October 2, 1991. See. The "point of delivery" for electrical energy defined in the 1991 Electrical Service Contract was identical to the "point of delivery" for electrical energy identified in the 1965 Contract. See Ex. C.

10. In or around December 1998, Citation Oil and Gas Corp. ("Citation Oil") purchased Texaco, Inc.'s Salem Unit, including Texaco, Inc.'s electrical energy distribution system. Citation Oil renewed that Electrical Service Contract with AmerenIP on December 14, 1999, and again on December 14, 2004. See Ex. C. The "point of delivery" for electrical energy defined in each of the 1999 and 2004 Electrical Service Contracts were the same as the "point of delivery" for electrical energy identified in the 1965 and 1991 Contracts.

11. Based on my inspection of the Texas Substation and my review of documents, AmerenIP presently provides electrical energy to Citation Oil at the same "point of delivery" identified in the contracts between Texaco and AmerenIP and AmerenIP and Citation Oil – the connection of Citation Oil's facilities to the 12,470 volt bus of the Texas Substation.

12. Because of my position with AmerenIP I would know of any application for additional or different points of delivery for electrical energy to Citation Oil. I review

customer applications for a new "point of delivery" for electrical energy. In my experience with AmerenIP, AmerenIP will normally provide service to a customer at only one point of delivery as described in the applicable tariff. *See* Ex. E and F. Citation Oil has not applied for a "point of delivery" different from the "point of delivery" identified in the Electrical Service Contracts between AmerenIP and Texaco/Citation Oil. I have also reviewed the documents maintained in the course of business by AmerenIP where applications for a new "point of delivery" would be kept and no such applications exist.

13. The Texas Substation presently consists of two transformer banks - Bank #1 is three (3) single phase 4.167 MVA units for a total of 12.5 MVA and Bank #2 is a one (1) 3-phase 14 MVA unit. The transformers step down the voltage from Line #6640 to 12.47 kV. Since 1965 and continuing to the present day, Texaco and Citation Oil have always received three phase electrical energy from AmerenIP. *See* Ex. C. Based on my review of documents maintained in the ordinary course of business, and based on the absence of any documents to the contrary, AmerenIP has not added a phase or phase of electrical energy to the three phase electrical energy AmerenIP supplied to Texaco and supplies to Citation Oil. *See* Ex. B. My inspection of the Texas Substation also confirms that AmerenIP supplies three phase electrical energy to the Citation Oil at the connection of the Citation Oil's facilities to the 12,470 volt bus of the Texas Substation.

14. AmerenIP did not develop, construct or install a distribution system for Texaco Inc. Texaco Inc., not AmerenIP, developed, constructed and installed had built its own distribution system to serve its facilities known as the Salem Unit located at or near Selmaville Road, Salem, Illinois.

15. AmerenIP and Tri-County Electric Cooperative entered into a Service Area Agreement dated March 18, 1968, and approved by the Illinois Commerce Commission by an Order entered July 3, 1968, which defines and delineates between Tri-County and AmerenIP certain service areas in Marion County, Illinois for providing electrical energy to customers. (See. Ex. 1, AmerenIP's Mot. for Summ. J.).

16. In or about March 2005, Citation Oil notified both AmerenIP and Tri-County of its intent to build a gas gathering and natural gas liquids (NGL) processing plant ("gas plant") within the Salem Unit. At the time, I incorrectly stated that AmerenIP could not provide electrical energy to Citation Oil's gas plant.

17. Based on my visual inspection of Citation Oil's distribution system in late 2006, Citation Oil extended its own distribution system to provide electrical energy to the gas plant and associated compressors.

18. AmerenIP did not construct any new distribution lines to extend the service of electrical energy to Citation Oil's gas plant. Citation has not and will not receive an additional bill for this service.

19. The term "point of delivery" is defined in AmerenIP's tariff and the Illinois Administrative Code. The tariff and the Code provide as follows: "Point of Delivery" means the point at which the entity providing distribution facilities connects its lines or equipment to the lines or facilities owned or rented by the customer, without regard to the location or ownership of transformers, substations or meters, unless otherwise provided for by written contract or tariffs. See Ex H. Based on my experience in the electric utility industry and electrical engineering training, this definition comports with my understanding of the term

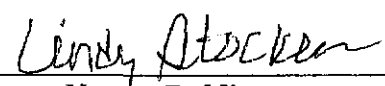
"point of delivery" in the electric utility industry, that is, the point where a utility "hands off" electrical energy to a customer.

20. I have inspected Citation Oil's extension of its own distribution system to provide electrical energy to the compressors and gas plant at issue in this case. It is my opinion based on my experience in the electric utility industry and electrical engineering training that the Citation Oil's extension of its own distribution line to the gas plant and compressors did not create a new "point of delivery" as that term is used in the electric utility industry.

FURTHER AFFIANT SAYETH NOT.


MIKE W. TATLOCK

Subscribed and sworn before me this 20th day of June 2008.



Notary Public
OFFICIAL SEAL
CINDY STOCKER
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 5-11-2009